

GUIDELINES	COMMITMENTS	TARGETS ¹⁰	2019 RESULTS	IMPACTS	
	Accelerate collaborative innovation	Develop an innovation culture and harmonise internal practices	Share knowledge and best practices and promote company-wide initiatives across the Group	 <p>Target 9.5</p> <ul style="list-style-type: none"> • About €4.5 billion of total R&D expense for the 2017-2019 period. • Research projects and partnerships with more than 90 universities and research centres. • Responsible for 18% of all high-tech Italian manufacturing exports.¹¹ 	
		Promote open and collaborative innovation	Strengthen collaborations with external partners and efficient management of open innovation and technology scouting		<ul style="list-style-type: none"> • Launched 2030 Masterplan for innovation and Leonardo Labs for research on future's technologies. • Participation in consortia for scouting of innovative start-ups (for example, Elis OPEN Italy and CDI Labs - Collège des Ingénieurs). • Collaborative innovation initiatives (for example, AIRtificial Intelligence with the Italian Air Force).
	Deliver customer-centric solutions	Strengthen customer intimacy	Increase and strengthen Customer Support, Service & Training	<ul style="list-style-type: none"> • 4 M-346 aircraft operating at the International Flight Training School of Galatina (Lecce). • Participation in exhibitions increased by 6% compared to 2018. • Acquisition of Vitrociset to reinforce logistics, simulation and training services. <ul style="list-style-type: none"> • Products and solutions offered in around 150 Countries. • 200 highly qualified civil staff will be activated by the Galatina School in related activities. 	
	Attract and nurture talent	Invest in training and development programmes	Over 100 hours of training for each employee in the 2018-2022 period	 <p>Target 4.4</p> <ul style="list-style-type: none"> • About 2,500 internships, apprenticeships and training initiatives in the 2017-2019 period. • Over 5,000 under 30 new hires in the 2017-2019 period. • About 50,000 students reached at the career days in 2019. 	
		Identify and encourage the skills for today and tomorrow	Map and assess Group skills Initiatives to encourage new generations to study STEM subjects		<ul style="list-style-type: none"> • 39 average hours of training per employee in the 2018-2019 period. • Approximately 14,500 assessments performed to map the professional skills of white collars and junior managers. • Over 27,000 people's performance appraised. • Under 30 new hires equal to 43% of total new hires in 2019. • Women new hires equal to 20% of total new hires in 2019. • Organisation of hackathons and contests aimed at undergraduates and graduates in STEM subjects (for example, Innovathon).
		Encourage generational turnover, guaranteeing excellence in terms of skills and professionalism	Under 30 new hires equal to at least 40% of total new hires by 2022		
		Create an inclusive work environment	Women new hires equal to at least 32% of total new hires in 2022		
	Build a solid and reliable supply chain	Strengthen relations with suppliers to develop long-term partnerships	Implement partnership programmes with the supply chain to improve business sustainability by 2020	 <p>Target 8.2 Target 8.3</p> <ul style="list-style-type: none"> • €24 billion the cumulated value of purchases during the 2017-2019 period. • Direct, indirect and induced impacts on the economy: in Italy, 110,000 jobs and €8.5 billion of added value created; in the United Kingdom approximately 23,000 jobs and £1.5 billion of added value created.¹² 	
		Raise employee awareness of the ESG issues within the supply chain	Training on ESG topics to all employees directly involved in procurement and the supply chain by 2020		<ul style="list-style-type: none"> • As part of the LEAP programme, the ELITE Leonardo Lounge was created to train high-potential suppliers. Financial and commercial agreements have been signed to support the growth of suppliers and to develop long-term partnerships with certain key suppliers. • Under development the training programme, leveraging Leonardo's experience in the United Kingdom in relation to the Modern Slavery Act.
		Promote responsible management of the supply chain	Define Group governance model and assess conflict minerals in the supply chain by 2021		<ul style="list-style-type: none"> • Analysed the sector's best practices for governance on conflict minerals and planned activities for the preparation of the Group policy.
	Promote operational eco-efficiency	Strengthen the commitment to combating climate change	Define the approach to the circular economy	 <p>Target 13.1 Target 13.3</p> <ul style="list-style-type: none"> • About 50,000 tonnes of waste recovered in the 2017-2019 period. • About 90,000 tonnes of CO₂ avoided thanks to the use of virtual training in the 2018-2019 period. • About 1.7 million cubic metres of water saved since 2017 thanks to efficiency measures. 	
		Extend the certified environmental management systems	80% of employees in ISO 14001-certified sites by 2020		<ul style="list-style-type: none"> • 72% of employees work in ISO 14001-certified sites. • Water withdrawal intensity reduced (-10% versus 2018). • Waste produced intensity slightly increased (+1% versus 2018). • Between 10% and 30% increase in the productivity of six sites involved in the Leonardo Production System.
		Manage natural resources more efficiently	Reduce water withdrawals by 6% by 2020 Reduce waste produced by 7% by 2020		
	Promote a responsible business model	Promote responsible business practices	Certification of anti-bribery management system by 2019	<ul style="list-style-type: none"> • Joined the Action Platform SDG 16 of the United Nations' Global Compact. • Performed the annual ISO 37001 verification audit by the Certification Body. • Launched the online anti-corruption and business compliance training for consultants and sales promoters. • 22% increase in reports received through the whistleblowing system compared to 2018. • Recognised as Industry leader in the Aerospace & Defence sector of the Dow Jones Sustainability Indices. • Confirmed CDP (Carbon Disclosure Project) ranking at level A-. 	
		Training of consultants and sales promoters	Training of commercial consultants and sales promoters by 2019		
		Raise employee awareness of responsible business practices	Increase employees' awareness of the whistleblowing system by 2019		
		Improve investors' and ESG rating agencies' perception of Leonardo	Admission to the main sustainability indices and improvement of ESG rating		

¹⁰ Set in 2018.

¹¹ Based on Istat and Eurostat data for 2017 and 2018.

¹² Elaboration on 2018 figures.